

1 Amend 2 Cal. Code Regs. Section 18945.1 to read:

2 **§ 18945.1. ~~Cumulation~~ Aggregation of Gifts; “Single” Source.**

3 For purposes of the limitations in ~~Government Code~~ Sections 89501 through  
4 89506, ~~two or more~~ separate gifts from two or more sources are ~~cumulated~~ aggregated as  
5 being from a “~~single~~” single source ~~if~~ in any of the following circumstances ~~apply~~:

6 (a) ~~The Gifts~~ separate gifts are from an individual and an entity in which the  
7 individual has an ownership interest of ~~more than~~ 50 percent or more ~~shall be cumulated~~  
8 ~~as being from a “single” source~~ unless the individual did not direct and control the gift  
9 from the entity.

10 (b) ~~Except as provided in subdivision (a),~~ The separate gifts are from an  
11 individual and an entity ~~shall be cumulated as being gifts from a “single” single source if~~  
12 and the individual in fact ~~directs and controls~~ directed and controlled the decision of the  
13 entity to make the ~~gifts~~ gift.

14 (c) ~~If~~ The gifts are from two or more entities and the same person or a majority  
15 of the same persons ~~in fact directs and controls~~ directed and controlled the decisions of  
16 ~~two or more~~ the entities to make ~~gifts~~ the gift to ~~one or more public officials or~~  
17 ~~candidates, gifts by those affiliated entities shall be~~ are cumulated as being from a  
18 “~~single~~” single source the official.

19 (d) Business entities in a parent-subsidary relationship, or business entities with  
20 the same controlling (more than 50 percent) owner, shall be considered a single source  
21 unless the business entities ~~act~~ acted independently in their decisions to make ~~gifts~~ the  
22 ~~gift to one or more public officials or candidates.~~ For purposes of this regulation, a

1 parent-subsidary relationship exists when one business entity owns more than 50 percent  
2 of another business entity.

3 NOTE: Authority cited: Section 83112, Government Code. Reference: Section 89501  
4 through 89506 Government Code.